

## A STOCK MARKET GLOSSARY

**Stock:** a share in the ownership of a company (e.g. if you buy 100 shares in a company at \$25 a share and the company has a total of 10 000 shares, you own 1/100 of the company).

**Investor:** a person who buys shares in a company

**Stockbroker:** a person who buys and sells stocks on the stock exchange for people who want to invest in the stock market

**Stock Exchange:** a marketplace where stocks are bought and sold

**Stock Certificate:** a paper proving ownership of a stock or share

**Capital Gain:** the profit or money a shareholder earns by selling stocks at a higher price than he or she bought them (e.g. if you buy 100 shares at \$25 a share, your total investment is \$2500; 3 months later if the stock price rises to \$35 a share and you sell your 100 shares, then you receive \$3500 – your profit or capital gain is \$1000)

**Dividends:** the share of a company's profits paid to shareholders